

Opening Remarks by JITTI Chairman Shukuri

for the Maritime Symposium 2024:

Sea Lane Safety and Supply Chain Resilience for Economic Security

Good afternoon, everyone, and thank you, Professor Kent Calder, for your warm welcome remarks. I am Masafumi Shukuri, Chairman of both the JTTRI, Japan Transport and Tourism Research Institute, and the JITTI, Japan International Transport and Tourism Institute, USA.

First, I would like to thank everyone who is joining our symposium today in-person or online despite their busy schedule.

Also I would like to extend my sincere appreciation to the Honorable Shigeo Yamada, Ambassador of Japan to the United States for joining us today despite his tight schedule serving the crucial role of maintaining US-Japan relations.

Our symposium today is co-hosted by the Edwin O. Reischauer Center for East Asian Studies at the Johns Hopkins University's School of Advanced International Studies (SAIS) and the JITTI USA, which was established by the JTTRI. I would like to thank Professor Kent Calder,

Director of the Reischauer Center, for his support in making this symposium held in such a successful way.

Next, I would also like to express my deepest gratitude to our two keynote speakers:

Rear Admiral Ann C. Phillips, Administrator, Maritime Administration, Department of Transportation,

Mr. Yoshimichi Terada, Vice-Minister for International Affairs, Ministry of Land, Infrastructure, Transport and Tourism.

In addition, I would like to thank our moderator and four other panelists who together represent both the public and private maritime sector in both Japan and the United States:

- Professor Geoffrey F. Gresh, National Defense University
- Admiral Shohei Ishii, Former Commandant, Japan Coast Guard
- Rear Admiral Wayne R. Arguin Jr., Assistant Commandant, U.S. Coast Guard
- Mr. Koichiro Hayashi, General Manager, NYK Line

- Mr. Henry Nuzum, President, Waterman Logistics

In recent years, economic globalization has accelerated, increasing each nation's dependence on sea lanes, which have become a critical element for maintaining the global supply chain.

However, several serious threats to the freedom of navigation in the sea lanes have emerged, such as expansive maritime claims by a certain nation in the South China Sea, the war in Ukraine causing the Black Sea to become a "warlike" area, tensions in the Middle East and Israel, and attacks on commercial ships by non-state actors in the Red Sea. The water shortage in the Panama Canal area has also been added to highlight such various risks, prompting countries to seek measures to secure stable sea lanes.

Japan has long been described as "Shimen Kankai," meaning to be surrounded by the sea on all sides. Almost all of Japan's key resources, such as energy, minerals, and food, rely on international maritime transportation. Thus, the maritime industry has always been regarded as a vital component of Japan's economy. The United States has also

been placing a high priority on strengthening its maritime capabilities from a security perspective.

Today, the importance of sea lanes extends beyond traditional issues of maritime transportation and maritime security. There is a growing recognition of their significance widely in the context of "National Economic Security," including issues of supply chain.

In May 2022, Japan enacted the Economic Security Promotion Act, the first law to explicitly address economic security. It aims to take comprehensive measures to prevent actions that could harm the security of the nation and its citizens in the context of economic activities, with the maritime and shipping sectors included as key areas.

Furthermore, sea lanes with unobstructed navigation are now essential for the activities of all nations. In this sense, sea lanes are "global commons" shared by all. It is an urgent matter to focus on this point and to examine the roles that relevant countries must play to ensure their stability.

Japan and the United States recognize the security of sea lanes as vital to national survival. Together with like-minded nations such as Australia, Europe, South Korea, and India, the two countries strive to stabilize sea lanes through efforts including capacity-building assistance for Southeast Asia and Pacific Island countries, as part of the endeavor to realize rule-based "Free and Open Indo-Pacific."

Next, I would like to highlight the importance of the "supply chain" in the maritime sector. The vulnerabilities in the supply chain have been underscored by various factors, including the pandemic, extreme weather events, and geopolitical risks.

International tensions, such as the U.S.-China rivalry, unrest in the Middle East, the war in Ukraine, and the situation surrounding the Taiwan Strait, cause disruption of navigation on major shipping routes, affecting global trade. To ensure the stable flow of goods, it is essential to secure redundant transportation routes and maintain a sufficient national shipping capacity.

Strengthening the resilience of the supply chain is a critically important issue directly linked to national stability. It is essential for stakeholders in Japan and the United States to address the challenges I have just mentioned, including geopolitical risks. Collaborative efforts by Japan and the United States in tackling these issues are expected to greatly contribute to the stability of the global supply chain.

The last but very indispensable point is that, from the perspective of economic security, exactly the significance of such securing sea lanes, stable maritime activities and resilient supply chain is not yet widely recognized at the public level in Japan. I feel there is a strong need to raise public awareness on these issues.

In the symposium today, we have invited senior government officials and corporate executives from Japan and the United States to discuss the challenges and risks facing both countries and industries, as I have just mentioned. We also aim to explore ways to enhance collaboration between the two nations and to consider these issues together with all

of you.

Finally, I hope that today's symposium will contribute to solving the challenges related to maritime activities and sea lanes, which are fundamental to supporting the economic, social, and defense activities of both Japan and the United States. I also hope that it will lead to further development of Japan-U.S. relations. With these wishes, I conclude my remarks.

Thank you very much for your kind attention and participation today.